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Original Title Page

CMA CGM / GALBORG US GULF/EAST COAST – SOUTH AFRICA
SPACE CHARTER AGREEMENT

A Space Charter Agreement

FMC Agreement No. **012264**

Expiration Date: None



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ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this agreement is the CMA CGM / GALBORG US Gulf / East Coasts – South Africa Space Charter Agreement (hereinafter referred to as the “Agreement”).

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to authorize GALBORG to charter space to CMA CGM in the Trade (as hereinafter defined).

ARTICLE 3: PARTIES TO THE AGREEMENT

The parties to the Agreement (hereinafter "Party" or "Parties") are:

1. GALBORG trading under the name of Gulf Africa Line (“GAL”)
 78 Shenton Way, #16-03A
 Singapore 079120
 Republic of Singapore
2. CMA CGM S.A. (“CMA CGM”)
 4 Quai d’Arenc
 13235 Marseille Cedex 02
 France

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of this Agreement is the trade between ports on the Gulf and East Coasts of the United States and ports in Republic of South Africa, Namibia and Mozambique (the “Trade”).

ARTICLE 5: AGREEMENT AUTHORITY

5.1 (a) GAL shall charter to CMA CGM, and CMA CGM shall purchase from GAL, space for the movement 40 TEUs on each Southbound and/or Northbound voyage of GAL's US/South Africa service, based on the pro forma schedule agreed at the start of the service. Such space shall be made available on used basis and at such slot charter hire and on such other terms as the Parties shall agree from time to time. CMA CGM shall not have access to any reefer plugs per sailing.¹ CMA CGM is authorized to charter any additional slots as required on ad hoc basis.

(b) Should CMA CGM at any time require additional slots in the Trade in excess of those provided for herein on either a long term or *ad hoc* basis, GAL shall have a right of first refusal to provide such additional slots, fully or partly, to CMA CGM. CMA CGM may slot charter or sub-charter slots made available to it under this Agreement to any third Party (including its fully owned subsidiaries and affiliates) without the prior consent of GAL. The parties shall agree on the terms and conditions, including slot charter hire, upon which any such additional slots are made available.

5.2 (a) GAL and the vessels it provides shall comply with the requirements of the ISM Code. As vessel provider, GAL shall be responsible for all operational aspects of the vessels.

¹ Parties agree they will review at later stage the possibility of a reefer plugs allocation to be granted to CMA CGM.

(b) If for any reason other than within the responsibility of CMA CGM, cargo and containers presented for loading shall not be accepted by GAL, except when arising from a force majeure event, then the corresponding volumes not taken on board the vessel shall be deducted from the final forecast (slots requirement) in accordance with terms discussed and agreed between the Parties. For the avoidance of doubt, GAL will bear all direct additional expenses incurred by such cargo and containers, such as but not limited to storage costs, customs clearance, and documentation costs. In any case, the CMA CGM shall mitigate any costs incurred.

(c) Addition of port(s) of call may be implemented, at the discretion of GAL, if such call(s) does not affect the schedule integrity and the frequency referred to above and the normal transit time. In such a case, GAL will be responsible for the additional costs and, will have exclusive rights of discharge/load at the additional port(s) of call. GAL may invite CMA CGM to participate in the additional port(s) of call and CMA CGM may load/discharge at the additional port(s) of call after having accepted to share the additional costs of call including but not limited to port costs, fuel, deviation costs in proportion to its share of containers loaded / discharged in that port.

5.3 Both parties warrant and guarantee to strictly comply with any applicable regulations, included but not limited to the United Nations resolutions, the relevant European Union regulations concerning the economic sanctions imposed on a certain number of countries and the U.S. OFAC rules. Both parties shall indemnify and hold the other Party, its servants,

agents or third contractors harmless in respect of any losses, expenses, claims, fines and costs of whatsoever nature incurred by reason of that Party's non-compliance with the above mentioned regulations.

5.4 The Parties shall both be signatory to the Agreement to Voluntarily Participate in Customs-Trade Partnership Against Terrorism ("C-TPAT Agreement") and agree to develop and implement a verifiable, documented program to enhance security procedures throughout their respective portions of the supply chain process, as described in the C-TPAT Agreement.

5.5 The Parties are authorized to discuss and agree on matters relating to terminal operators and stevedores, and to reach agreement on other issues relating to the loading and/or discharge of cargo, including liability for overtime, guarantee and stand-by time. The Parties are authorized, but not required, to negotiate jointly with terminal operators on the Trade and to enter into joint or individual contracts with terminal operators and/or stevedores in connection with space provided hereunder. Initially, CMA CGM shall negotiate its own terminal contracts and pay terminal costs relating to the handling and storage of its cargo and containers. Nevertheless, CMA CGM, as Slot Charterer, will share the common terminal charges in accordance with its prorata throughput in the concerned port unless when such costs result from the negligence or an event under the control of GAL. GAL always to bear the costs associated with the vessel including dockage, sheddage and stevedore standby due to crane/vessel breakdown.

5.6 The Parties are authorized to discuss and agree upon such general administrative

matters and other terms and conditions concerning the implementation of this Agreement as may be necessary or convenient from time to time, including, but not limited to, performance procedures, costs apportionment and penalties; port omission arrangements; stowage planning; record-keeping; responsibility for loss or damage; insurance; force majeure; the handling and resolution of claims and other liabilities; indemnification; documentation and bills of lading; and the treatment of hazardous and dangerous cargoes.

5.7 Pursuant to 46 C.F.R. § 535.408(b), any further agreement contemplated herein cannot go into effect unless filed and effective under the Shipping Act of 1984, as amended, except to the extent that such agreement concerns routine operational or administrative matters.

ARTICLE 6: OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY

6.1 This Agreement shall be administered and implemented by meetings, decisions, memoranda, writings and other communications between the Parties.

6.2 The following individuals shall have the authority to file this Agreement with the Federal Maritime Commission as well as the authority to delegate same:

- (a) any authorized officer of each of the Parties; and
- (b) legal counsel for each of the Parties.

ARTICLE 7: MEMBERSHIP AND RESIGNATION

7.1 New Parties to this Agreement may be added only upon unanimous consent. The addition of any new Party to this Agreement shall become effective after an amendment noticing

its admission has been filed with the Federal Maritime Commission and become effective under the Shipping Act of 1984, as amended.

7.2 Any Party may withdraw from this Agreement in accordance with the provisions of Article 9 hereof.

ARTICLE 8: VOTING

Except as otherwise provided herein, actions taken pursuant to, or any amendment of, this Agreement shall be by mutual consent of the Parties.

ARTICLE 9: DURATION AND TERMINATION OF AGREEMENT

9.1 (a) This Agreement shall enter into effect on the date it becomes effective under the U.S. Shipping Act of 1984, as amended, and shall be implemented Southbound from the loading of the Fox Grey or substitute vessel in Houston eta on or about May 1st, 2014 and Northbound from the loading of Marie or substitute vessel in Maputo eta on or about May 17th, 2014 or such later vessel departure as the Parties may mutually agree in writing (the Commencement Date will be the earliest departure date between the Southbound and Northbound sailings).

(b) The Agreement shall remain in effect for a minimum period of 3 months and thereafter for an unlimited period of time until terminated by either Party at any time by giving a 1 month prior written notice of termination to the other Party. Such notice of termination shall not be given prior to 2 months after the Commencement Date.

9.2 Notwithstanding Article 9.1(b) above, this Agreement may be terminated pursuant to the following provisions:

- (a) at any time, by mutual agreement
- (b) If, at any time during the term of this Agreement there shall be a change in control of a Party, and the other Party is of the opinion, arrived at in good faith, that such change in control is likely to materially prejudice the cohesion or viability of the Agreement, then the other Party may, within 3 months of becoming aware of such change, give not less than one month notice in writing terminating this Agreement.
- (c) If, at any time during the term of this Agreement
 - A. either Party ("The Affected Party):
 - 1) is dissolved;
 - 2) becomes insolvent or fails to pay its debts as they become due;
 - 3) makes a general assignment, arrangement or composition with, or for the benefit of its creditors;
 - 4) has a winding-up order made against it or enters into liquidation whether voluntarily or compulsorily;
 - 5) seeks or becomes the subject of the appointment of an administrator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets;
 - and

B. the other Party is of the opinion that:

- 1) such event or occurrence is or may be materially detrimental to the Service; or
- 2) sums that may be owed (other than those that would be considered disputed in good faith) may not be paid or have not been paid in full or that their payment may be delayed

then the other Party may give notice to the Affected Party terminating with immediate effect or suspending for such period as the other Party in its sole discretion deems appropriate, this Agreement or any part thereof.

9.3 Furthermore, should any Party repeatedly fail to comply with the requirements described in Article 5.3 of this Agreement, the other Party may terminate this Agreement with immediate effect.

9.4 Notwithstanding any termination in accordance with the above, the non-defaulting Party retains its right to claim the defaulting Party for any loss and/or damage caused or arising out of such termination.

Termination for any cause shall:

- (i) not affect any existing or accrued rights as at the date of termination; or
- (ii) still require the carriage of CMA CGM cargo to destination that is on board of GAL vessels.

ARTICLE 10: GOVERNING LAW AND ARBITRATION

10.1 This Agreement shall be governed by and construed in accordance with English

law.

10.2 Any dispute or difference arising out of or in connection with this Agreement which cannot be resolved amicably shall be referred to the exclusive jurisdiction of the High Court of Justice in London.

10.3 Either Party may at any time call for mediation of a dispute under the auspices of the London Maritime Arbitrators Association (LMAA). Unless agreed such mediation shall not otherwise interfere with or affect anything else including the time bars and Court procedure. If a Party calls for mediation and such is refused, the Party calling for mediation shall be entitled to bring that refusal to the attention of the Court.

ARTICLE 11: ASSIGNMENT

Neither Party shall be entitled to assign or transfer its rights or obligations under this Agreement, except with the other Party's consent.

ARTICLE 12: NOTICES

Any correspondence or notices hereunder shall be made by courier service or registered mail, or in the event expeditious notice is required, by fax confirmed by courier or registered mail, to the following addresses:

GAL:

Galborg Pte Ltd
78 Shenton Way, #16-03A
079120 Singapore
Republic of Singapore
Attn: Capt. Sam Tan
E-mail: sam@galborg.com

CMA CGM:

CMA CGM S.A.
4 Quai d'Arenc
13235 Marseille Cedex 02
France
Attn: Mathieu Friedberg
E-mail: ho.mfriedberg@cma-cgm.com

ARTICLE 13: SEVERABILITY

If any provision of this Agreement is held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational then said provision shall cease to have effect between the Parties, but only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

ARTICLE 14: NO AGENCY/PARTNERSHIP

Nothing in this Agreement shall give rise to or be construed as constituting a partnership for any purpose or extent. Unless otherwise agreed, neither Party shall be deemed the agent of the other with respect to any matters or things done or not done under or in connection with this Agreement.

CMA CGM /GALBORG
US/SOUTH AFRICA SPACE
CHARTER AGREEMENT
FMC Agreement No. 012264

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by
their duly authorized representatives as of this 07 day of April, 2014.

CMA CGM S.A.

By: 

Name: Rodolphe SAADE

Title: Chief officer

Galborg Pte Ltd
trading under the name of GAL

By: 

Name: SAM TAN

Title: MANAGING DDIRECTOR



CMA CGM S.A.

By: 

Name: ARNAUD THIBAUT

Title: Deputy Vice President
AFRICA LINES

Galborg Pte Ltd
trading under the name of GAL

By: _____

Name: _____

Title: _____